

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

ANNUAL COMPLIANCE REVIEW, 2016

Docket No. ACR2016

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
QUESTIONS 1 and 11 OF CHAIRMAN'S INFORMATION REQUEST NO. 14

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 14, issued on February 3, 2017. Each question is stated verbatim and followed by the response. The responses to Questions 2 – 10 are still being prepared.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSES OF THE UNITED STATES POSTAL SERVICE
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1. Section 2804(c) of title 39 of the U.S. Code requires annual performance reports to “include actual results for the three preceding fiscal years.” The Commission previously found that “actual results” under section 2804(c) must also be comparable across the three preceding fiscal years.¹ To comply with section 2804(c), the *FY 2016 Report* must provide comparable results for each performance indicator for, at a minimum, Fiscal Years (FYs) 2013, 2014, 2015, and 2016. *FY 2015 Analysis* at 45. The Commission explained that the Postal Service can meet this requirement by providing all results using the same methodology or by explaining how results can be compared between old and new methodologies. *Id.* at 17.

Please provide comparable FY 2013 and FY 2014 results for the following performance indicators: Customer Insights Composite, Business Service Network, Point of Sale, Delivery, and Customer Care Center. If comparable results cannot be provided, please explain how to compare results between the old methodology (Customer Experience Measurement (CEM)) and new methodology (Customer Insights (CI)).²

RESPONSE:

Comparable results for the CI indicator cannot be provided in a useful manner due to the changes in the weighting methodology being used to calculate the composite score for each fiscal year. Comparability can be achieved when analyzing the individual unweighted metrics at the component level. Comparable metrics have been provided in the table below. It should be noted that results are not available for the Customer Care Center (CCC) score for FY 2013 because this survey did not begin until FY 2014. Delivery scores for FY 2013 Residential (Res) and Small/Medium Business (SMB) come from the Satisfaction with Receiving section of the CEM survey. Delivery scores

¹ Docket No. ACR2015, Analysis of the Postal Service's FY 2015 Annual Performance Report and FY 2016 Performance Plan, May 4, 2016, at 17 (*FY 2015 Analysis*).

² In its *FY 2015 Analysis*, the Commission explained a possible method for comparing results between the CEM and CI measurement systems without using both measurement systems simultaneously. See *FY 2015 Analysis* at 44-45.

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for FY 2014 Res and SMB only apply to the performance period of August and September of FY 2014. This is due to the discontinuation of the CEM program at the end of FY 2013 and the subsequent delay in developing and implementing the new CI program.

| | FY13 | FY14 | FY15 | FY16 |
|------------------------|-------|-------|-------|-------|
| BSN | 91.70 | 94.05 | 94.32 | 95.13 |
| POS | 62.71 | 81.59 | 86.28 | 86.38 |
| Delivery (Residential) | 90.99 | 81.40 | 80.32 | 79.93 |
| Delivery (SMB) | 87.68 | 77.70 | 74.65 | 72.60 |
| CCC | | 74.00 | 76.22 | 85.18 |

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11. Please provide supporting workpapers showing the derivation of the:
- FY 2016 Deliveries per Work Hour (calculated rate) actual result
 - FY 2016 Deliveries per Work Hour (calculated rate) target
 - FY 2016 Deliveries per Total Work Hours % SPLY actual result
 - FY 2016 Deliveries per Total Work Hours % SPLY target
 - FY 2017 Deliveries per Total Work Hours % SPLY target

RESPONSE:

a. – e.

Deliveries Per Work Hour Data

FY 16 ACTUAL

| September YTD | FY16 Actual |
|-------------------------------------|---------------|
| YTD Delivery Days | 304 |
| YTD Adjustment to Delivery Days | 0.5971 |
| YTD Adjusted Delivery Days | 304.5971 |
| YTD Possible Deliveries | 155,502,602 |
| YTD Total Workhours | 1,157,564,088 |
| YTD Total Workload Volume Workhours | 18,000,000 |
| YTD Adjusted Total Workhours | 1,139,564,088 |
| YTD Actual DPH | 41.6 |
| YTD DPH % to SPLY | 0.1% |

| September YTD | FY15 |
|-------------------------------------|---------------|
| YTD Delivery Days | 303 |
| YTD Adjustment to Delivery Days | 0.3384 |
| YTD Adjusted Delivery Days | 303.3384 |
| YTD Possible Deliveries | 154,378,502 |
| YTD Total Workhours | 1,127,887,013 |
| YTD Total Workload Volume Workhours | N/A |
| YTD Adjusted Total Workhours | 1,127,887,013 |
| YTD Actual DPH | 41.5 |
| YTD DPH % to SPLY | N/A |

FY 17 TARGET

| September YTD | FY17 Plan |
|-------------------------------------|---------------|
| YTD Delivery Days | 303 |
| YTD Adjustment to Delivery Days | 0.5971 |
| YTD Adjusted Delivery Days | 303.5971 |
| YTD Possible Deliveries | 156,564,290 |
| YTD Total Workhours | 1,156,564,088 |
| YTD Total Workload Volume Workhours | 2,000,000 |
| YTD Adjusted Total Workhours | 1,154,564,088 |
| YTD Actual DPH | 41.2 |
| YTD DPH % to SPLY | 0.6% |

| September YTD | FY16 |
|-------------------------------------|---------------|
| YTD Delivery Days | 304 |
| YTD Adjustment to Delivery Days | 0.5971 |
| YTD Adjusted Delivery Days | 304.5971 |
| YTD Possible Deliveries | 155,502,602 |
| YTD Total Workhours | 1,157,564,088 |
| YTD Total Workload Volume Workhours | 0 |
| YTD Adjusted Total Workhours | 1,157,564,088 |
| YTD Actual DPH | 40.9 |
| YTD DPH % to SPLY | N/A |

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FY 16 TARGET

| | |
|----------------------|---------------|
| Days | 304 |
| Possible Deliveries | 155,362,428 |
| Workhour Plan | 1,124,887,013 |
| FY 16 DPH Plan | 42.0 |
| FY 15 DPH Actual | 41.5 |
| FY 16 Plan DPH %SPLY | 1.2% |